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STATE OF NEW YORK
EXECUTIVE CHAMBER
ALBANY

STATEMENT BY GOVERNOR NELSON A. ROCKEFELLER
PREPARED FOR PRESENTATION TO SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY OF THE SENATE
COMMITTEE ON GOVERNMENT OPERATIONS, OLD SENATE
OFFICE BUILDING, WASHINGTON, D.C., 9:30 A.M.
FRIDAY, JULY 1, 1960

I deeply appreciate this opportunity to appear before the Subcommittee on National Policy Machinery of the Senate Committee on Government Operations.

This subcommittee is performing an outstanding service to the nation. The nation's problems, the world's problems, press upon the policy-makers in Washington with ever-increasing urgency and in ever-growing complexity.

In seeking solutions to these problems, there can be no substitute for able men in government -- men of vision, of capacity, of courage. But not even the best of men can perform to the fullness of their abilities, nor will men of ability be attracted to government or encouraged to stay in government, if inadequate organization frustrates accomplishment. Thus, in its extensive exploration into the question of improving the organization of government, this subcommittee is addressing itself -- importantly, constructively and with non-partisan objectivity -- to a fundamental need of this government in dealing with a world of danger, of opportunity, and of fantastically rapid change. That need is to provide a framework within which able men can perform the great deeds demanded by the challenges of our times.

I know from personal experience that no man is more deeply concerned with this question than President Eisenhower. During the six years of my chairmanship of the President's Advisory Committee on Government Organization, fourteen reorganization plans presented by the President were adopted by the Congress. The President's vision, breadth of concept and creativity made possible the substantial advances in government organization achieved in recent years. In addition, they have profoundly influenced the thought behind specific proposals I shall make to this subcommittee today, although, naturally, I alone assume responsibility in recommending these proposals for your consideration.

With recommendations from the President, the Congress at its next session should, as a first order of business, set about adapting the government's machinery to the needs, the urgencies, the demands for decisive action that the times require. I am confident that the work of this subcommittee will be of great value in accomplishing this.

As a fundamental step to be taken either at this Congress or at the next, I recommend the extension of the Reorganization Act of 1949, which expired last year. This legislation provided the basis for the reorganization plans adopted in the last decade, and should be renewed.

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Governmental reorganization is necessarily a matter of cooperation between the legislative and executive branches. Understandably, it is a matter in which many toes will get stepped on, many vested interests within the government feel imperiled. The blunt truth is that -- despite all past progress -- the present structure of the Federal Government is still not geared to support the President in developing and executing integrated policy, thoughtfully and purposefully, either in the complex areas of national security and foreign policy, or in the equally complex area of domestic affairs.

Few realize the tremendous load the President carries in his multiple responsibilities as Chief of State, Chief Executive, Commander-in-Chief of the Armed Forces, the man constitutionally responsible for the conduct of our foreign policy, and leader of his political party. More than fifty departments and agencies of the government report directly to the President. Their number imposes upon him an almost impossible burden -- in the need to resolve conflicting approaches and divergent advice, and, from such sources, select and set a determined course of action.

In an effort to bring order to this array of agencies, a host of interdepartmental and inter-agency committees has been set up. These have come to number approximately one hundred sixty in the field of international affairs alone. In fact, international affairs involve, one way or another, the activity and responsibility of every department of our government. There are also some eighteen independent agencies, as well as sundry boards and commissions, involved in aspects of international affairs. The field of foreign economic aid alone involves as many as four government agencies -- and ~~six~~ international financial organizations.

This over-elaborate pattern of interdepartmental committees has been designed over the years in an earnest effort to meet the legion of complex problems in both foreign and domestic affairs. The simple fact is this: the committees of a democratic government cannot hope to meet or to master these problems by simply trying to outnumber them. The critical need is for a revamped structure of government.

The fact, today, is that the structure of our government too often moves slowly, even sluggishly, to meet this world of swift-moving change. It tends to be stiff and static -- when it should be quick, alert, and creative. There is, therefore, a growing public awareness and concern about the structure of government and the efficiency of its decision-making process. And one great proof of this public concern and interest is the existence -- and the work -- of this committee.

With all this in mind, I deeply believe that the time has come when we can look forward to achieving important reforms at the next session of the Congress.

I have no illusions about the complexity of these tasks. In the light of my own experience in federal government, and having undertaken, as Governor of New York, that state government's first reorganization in thirty years, I am well aware of the toughness of the problems. Yet I believe very strongly that both the clear need of the nation and the quickened concern of the people make this a necessary, and a realistic, time for action.

Let us proceed, then, to the major specific areas of action -- both foreign and domestic. For in both these areas the structure of government demands reorganization to assist the President in wisely formulating and effectively executing national policy. As early as 1955, former President Herbert Hoover recognized this sweeping need by suggesting the creation of two appointed Vice Presidents with specific responsibilities respectively for foreign and domestic affairs. This problem was given active and detailed study by the President's Advisory Committee on Government Organization -- while I was chairman of that committee.

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I welcome this opportunity to make the following recommendations in these two important fields:

1. Foreign Affairs and National Security:

- (a) Creation of the post of First Secretary of Government to assist the President in the exercise of his authority in this whole area.
- (b) Further reorganization of the Defense Department to achieve unified doctrine, planning and command.

2. Domestic Affairs:

- (a) Creation of the post of Executive Assistant to the President, to be head of a newly created Office of Executive Management.
- (b) Consolidation, in certain areas, at the departmental and agency level, of functions now scattered among various government agencies, particularly in such important fields as transportation and water resources.

I . FOREIGN AFFAIRS AND NATIONAL SECURITY

Let us examine briefly how further -- and more forceful --- support may be given to the President in his constitutional responsibility for the formulation, coordination and conduct of foreign policy.

THE PROBLEM

The problem is too complex to be soluble by simply adding more authority or more power or more functions to the Department of State. Foreign operations involve the Department of Defense and other major departments and agencies -- each with its own special concern, and attitude toward, international problems.

The crux of the problem is to help develop a coordinated Presidential policy and program which can then be administered, on a day-to-day basis, by the existing agencies of government. The proliferation of agencies and committees in this whole field has tended to increase and complicate -- rather than ease and clarify -- the burden upon the President in defining and directing policy. The reason is obvious. The more numerous and varied the sources of divergent advice and advocacy -- from departments, agencies, committees and individuals -- the less chance or time has been left to the President for reflective, over-all, long-range defining of purpose and planning of policy.

The proper role of the committee, in our government, is a subtle and delicate one. The system of committees, of course, works well in the Congress: it is basic to the legislative process, providing mechanism for concession and consensus as well as means for mustering votes for final legislative decision. And committees also have a proper and important place in the Executive Branch -- either by sharing counsel among those empowered to act, or by conducting ad hoc studies on specific problems.

But excessive government by committee can be anything but constructive. In the field of executive action, it can reduce the level of government action to the least bold or imaginative -- to the lowest common denominator among many varying positions. In such circumstances, policy may be determined not for the sake of its rightness -- but for the sake of agreement. And then the bold and imaginative action most needed, in these critical times, becomes least probable or possible.

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THE OBJECTIVES

The essential objectives are three.

First: in support and furtherance of our national purpose, we must integrate fully, at the Presidential level, the international political, diplomatic, economic and social, military, informational, cultural and psychological aspects of foreign affairs.

Second: We also must relate and integrate these matters -- from the perspective of the responsibility of the Presidency -- with all of our compelling domestic concerns -- economic or social, financial or regulatory -- as all these affect our national conduct in the world.

Third: we must provide the governmental structure that can effectively assist the President in developing objectives and policies, in all the area of foreign policy and national security, so clear and so thoughtful that they will give unified and purposeful direction to America's unique role in serving -- and enhancing -- the future of freedom.

THE RECOMMENDATIONS

To achieve these objectives -- vital equally to our national security and our world role -- I recommend two broad courses of action.

1. I recommend creation of the post of First Secretary of the Government to assist the President in exercise of his constitutional responsibility and authority in all the area of national security and international affairs.

This means -- in more explicit detail -- the following:

- (a) The First Secretary should be appointed by the President, subject to confirmation by the Senate.
- (b) He should have statutory designation as Executive Chairman of the National Security Council.
- (c) He should exercise authority as delegated to him by the President, and subject to withdrawal of such authority by, and at the will of, the President.
- (d) He should be empowered, at the discretion of the President, to act for the President in international matters at the Prime Ministerial level, with the Secretary of State operating on the level of the Ministers of Foreign Affairs.
- (e) He should have a staff of his own and be empowered to use and reorganize all of the interdepartmental planning machinery of the government in the area of national security and foreign affairs.

While the First Secretary, deriving his authority from the President and acting on his behalf, would have a status above that of the cabinet, the operating responsibilities of cabinet officers would not be changed. Thus, the Secretary of State would continue to be in charge of the day-to-day conduct of diplomacy. So, too, the Secretary of Defense would continue to be in the direct line of Presidential command of the armed forces.

As Executive Chairman of the National Security Council, the First Secretary could be delegated the authority, by Executive Order or by legislation, to appoint the chairmen of such supporting groups as the Operations Coordinating Board, the Council on Foreign Economic Policy, and the National Advisory Council on international monetary and financial problems.

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2. I recommend the reorganization of defense planning and command to achieve, under the President, unified doctrine and unified direction of forces.

More specifically, this means the following:

- (a) The Chairman of the Joint Chiefs of Staff should be designated Principal Military Advisor to the Secretary of Defense and the President, and be responsible for development of over-all strategic doctrine.
- (b) The staff of the Joint Chiefs should be organized on a unified basis under direct authority of the Chairman.
- (c) All officers above the rank of Brigadier General or the equivalent should be designated officers of the Armed Forces of the United States -- not the individual service of their earlier careers -- and their promotion should be placed in the control of the Department of Defense.
- (d) Full authority should be given to the Secretary of Defense over all military research, development and procurement, so that he may assure the most productive utilization of research and development funds.
- (e) The budget process of the Defense Department should be revised so that Congress appropriates all funds to the Secretary, thereby fixing in him a focus of fiscal responsibility similar to that held by other Departments.

II. DOMESTIC AFFAIRS

The urgencies are as clear and great in the area of domestic affairs as in the areas of foreign affairs and national security. Here, too, the President needs the service and support of a structure of government more effectively assisting him to define national purpose and execute national policy, in meeting the swiftness and the complexity of the problems and challenges of our time.

THE PROBLEMS

Such is the nature of this period of history that the problems confronting the government have seemed to multiply even faster than the agencies created to cope with them.

To be specific:

There is the sheer number of departments and agencies reporting to the President -- in essentially domestic affairs, no less than eight departments and some forty agencies.

There is the ever-widening scope of problems confronted within the Executive Office of the President itself. This office includes such diverse duties as those of the Bureau of the Budget, the President's Assistant for Personnel Management, other specialized officials within the White House Office, the Office of Civil and Defense Mobilization, and the Council of Economic Advisors.

There is the constant and ever more difficult task of resolving conflicts between program objectives and budgetary limitations.

There is the ever-increasing volume of legislation pending in the Congress each year, including legislation proposed by the President -- all reflecting new problems, freshly and forcefully challenging all departments of government.

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And there is the need for thoughtful long-range planning and development of policy -- made ever more difficult, and ever more necessary, by problems ever more complex.

THE OBJECTIVE

The President alone simply cannot undertake to meet the volume of problems and functions today demanding his attention, study and action. To ignore this fact would be to strain the structure of our government at its very apex -- to allow it to be weak where it must be most strong.

The essential objective, then, is to give to the President a strong supporting structure within his own office for policy formulation and concrete decision.

A second objective is to assure that, at the level of the departments and agencies themselves, there is an organizational structure adapted to meeting the key domestic problems of today.

THE RECOMMENDATIONS

1. I recommend the creation of the post of Executive Assistant to the President and Director of the Office of Executive Management, to assist in planning and management in the sphere of domestic affairs.

There should be created immediately under the President a new Office of Executive Management. Five key functions should be transferred to the new Office of Executive Management, to be carried out by five bureaus created within the new Office. Each bureau should be under the direction of a non-career official appointed by the President. The Director of the new Office would report directly to the President.

Under the plan I propose, these five bureaus and their functions would be:

- (a) Bureau of the Budget
Functions: budget formulation and administration
- (b) Bureau of Legislative Clearance and Coordination
Functions: the review, clearance, coordination and development of legislation proposed by the Executive Branch, and of the Administration's position with respect to other legislation pending in Congress.
- (c) Bureau of Program and Planning
Functions: development and coordination of recommendations concerning Executive Branch programs, including participation in long-range studies and planning.
- (d) Bureau of Organization and Management
Functions: coordination and improvement of the organization and management functions of the Executive Branch, including accounting and statistical programs.
- (e) Bureau of Personnel Management
Functions: assistance to the President in exercising his leadership in personnel management throughout the Executive Branch.

The Office of Executive Management, if created along these lines, would serve the President more effectively than the present structures of government in the general management of administrative matters, including budgetary, personnel, planning and organizational activities. The Office would assume the functions of various units within the Executive Office of the President and would, over a period of time, remove the need for numerous temporary staff arrangements established to meet special problems.

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Even with an ideal organizational structure at the White House level, the President's responsibilities with respect to domestic affairs cannot, any more than in the field of national defense, be effectively performed without sound organization at the departmental and agency level. All too often the location of a particular function within a department or agency is more a matter of history than of logic. Thus, in a number of areas improved governmental machinery is essential to sound policy development in meeting the critical and emerging problems of today and tomorrow.

In these areas:

2. I recommend the consolidation of functions which are now scattered among various government departments and agencies, particularly in such important fields as transportation and water resources.

The field of transportation is a good example because of its critical importance to the growth of our economy in time of peace and to the defense of our nation in time of war. In spite of general recognition of the importance of transportation, we still do not have today a single focal point within the Federal Government for the formulation of overall national transportation policy, accompanied by broad powers to develop such policy and coordinate the activities of other agencies.

To remedy this, I recommend the creation of a new Department of Transportation, to which would be transferred all governmental transportation functions now located both inside and outside the Commerce Department. These transferred functions would include all the responsibilities of the Federal Aviation Agency, as well as the present promotional and administrative functions of the regulatory agencies: the Interstate Commerce Commission, the Civil Aeronautics Board and the Federal Maritime Board.

Another example -- equally clear -- is the area of water resources policy, where a dispersion of responsibilities has made the development of a coordinated and coherent government policy very difficult.

III. CONCLUSION

I have outlined -- briefly -- a program of some specific measures to assist the President and the Executive Branch of the federal government in meeting the clear responsibilities and compelling challenges before it.

I believe such measures will enable the Executive Branch, in all areas of national policy, to give direction more firm and unified, and decision more swift and thoughtful.

No citizens are more keenly aware than you, gentlemen, of what is ultimately at stake here. The matters discussed seem technical or mechanical. They rise, in ultimate meaning, far above this level. They are tests -- practical tests -- of whether free government can work, and can work well. They are tests that come at a time when the processes of freedom -- the workings of democracy -- stand under fire and under challenge in the world at large. They are tests that we, as a people and as a nation, can and must meet.

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